

You are required to show

- (i) Purchase consideration payable to Star Ltd., and Moon Ltd., and
- (ii) Balance Sheet of Sun Ltd.

17. The Balance Sheet of Bubble Ltd. as on 31st Dec. 2004 was as follows:

	Rs.		Rs.
Share		Land & Building	25,000
8,000 Preference shares of Rs.10 each	80,000	Other fixed Assets	2,00,000
12,000 Equity shares of Rs. 10 each	1,20,000	Stock	5,25,000
Bank Loan	4,00,000	Debtors	1,00,000
8% Debentures	1,00,000	Profit and Loss A/C	58,000
Interest outstanding on Debentures	8,000		
Creditors	2,00,000		
	<b>9,08,000</b>		<b>9,08,000</b>

The company went into liquidation on the date. Prepare Liquidator's Statement of Account after taking into account the following:

1. Liquidator expenses and liquidator's remuneration amounted to Rs 3,000 and Rs 10,000 respectively.
2. Bank loan was secured by pledge of stock.
3. Debentures and Interest thereon are secured by a floating charge on all assets.
4. Fixed assets were realised at book values and current assets at 80% of book values.

**(2 x 6 =12 Weightage)**

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(4)

**18P252**

(Pages: 4)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE EXAMINATION, APRIL 2019**

(Regular/Improvement/Supplementary)

(CUCSS - PG)

**CC15P MC2 C07 - ADVANCED CORPORATE ACCOUNTING**

(Commerce)

(2015 Admission onwards)

Time: Three Hours

Maximum: 36 Weightage

**Part - A**

Answer *all* questions. Each question carries 1 weightage.

1. Define IFRS.
2. What is Minority interest?
3. What do you mean by Purchase consideration?
4. What is alteration of share capital?
5. What is Statement of Affairs?
6. What is Farm accounting?

**(6 x 1 = 6 Weightage)**

**Part - B**

Answer any *six* questions. Each question carries 3 weightage.

7. Explain the scope of IFRS.
8. Write a short note on importance of farm accounting.
9. List out the methods of Inflation accounting.
10. Discuss the importance of Human Resource Accounting.
11. The following are the balances in balance sheet of subsidiary company: Shares capital rupees 50,000, general reserve: opening balance rupees 2,000 closing balance rupees 3,000, discount on debentures rupees 1,000. Compute the net value of subsidiary company.
12. M/s. Suri and Co. promoted Unlucky Ltd. in 2010. The working of the company was no to successful. On 31<sup>st</sup> December 2012, Balance Sheet of unlucky stood as follows:

Liabilities	Rs.	Assets	Rs.
Authorised capital		Land and buildings	1,00,000
20,000 shares of Rs.100 each		Machinery	2,60,000
Subscribed capital:	<b>20,00,000</b>	Furniture	20,000
19,000 shares of Rs.100 each		Stock	3,70,000
fully paid	19,00,000	Debtors	1,80,000
Creditors	1,00,000	Goodwill	2,00,000
Suri and Co.	1,00,000	Profit and Loss Account	9,70,000
	<b>21,00,000</b>		<b>21,00,000</b>

(1)

**Turn Over**

The company to be reconstructed on the basis of the following scheme:

- 19,000 shares of Rs.100 each are to be reduced to an equal number of fully paid shares of Rs.40 each.
  - The debt of Rs.1,00,000 due to Suri & Co. was also to be reduced, the remaining 1,000 unissued shares being issued to them as full paid up shares of Rs.40 each in fully settlement of the amount due to them.
  - The amount thus rendered available, by the reduction of capital and by the above arrangement with Suri & Co., is to be utilized in wiping off the Goodwill and the Profit and Loss Account and in writing down the value of machinery. Give journal entries in the implementation of reconstruction scheme.
13. S. S. Jaihind commenced a voyage on 1. 10. 2010 from Mumbai to London and back. The voyage was completed on 30. 11. 2010. It carried a consignment of Jute on its outward journey and of Plant on its return journey. The ship was insured and the annual premium was Rs. 15,000. Prepare a Voyage Account from the following particulars:

Freight earned outward	-	1,00,000	Wages and salaries	-	20,000
Freight earned inward	-	50,000	Stores	-	6,000
Port dues	-	5,000	Sundry expenses	-	2,000
Bunker	-	20,000	Passage money received	-	4,000
Lighterage charges	-	3,000	Annual depreciation	-	36,000

Address commission 5% on outward and 4% on Inward freight Primage is 5% on freight. The manager is entitled to 5% commission on the profit earned after charging such commission. Stores and Coal on hand were valued at Rs. 2,000 on 30. 11. 2010.

14. Ascertain net monetary result as on 31.12.2001 from the data given below.

	1.1.2001	31.12.2001
Cash at bank	15,000	21,000
Debtors	45,000	54,000
Creditors	75,000	50,000

**General Price Index.**

1,1,2001	100
31.12.2000	125
Average for 2001	201

(6 x 3 = 18 Weightage)

(2)

**Part - C**

Answer any *two* questions. Each question carries 6 weightage.

- List out the important International Financial Reporting Standards.
- Liabilities and assets of Star Ltd., and Moon Ltd., as at 31<sup>st</sup> March, 2012 are as under.

Liabilities	Star Ltd.	Moon Ltd.	Assets	Star Ltd.	Moon Ltd.
	Rs.	Rs.		Rs.	Rs.
Equity Shares of Rs.10 each	2,10,000	1,50,000	Goodwill	15,000	--
			Land	--	30,000
9% Redeemable Pref. Shares of Rs.100 each	90,000	--	Building	--	75,000
			Plant	3,00,000	1,35,000
			Fixtures	5,000	15,000
Securities Premium	10,500	--	Vehicles	10,000	15,000
Capital Redemption Reserve	60,000	--	Stocks	1,20,000	75,000
General Reserve	49,500	75,000	Debtors	80,000	50,000
8% Debentures	60,000	90,000	Advances	50,000	35,000
Creditors	1,20,000	1,35,000	Cash at Bank	20,000	20,000
	<b>6,00,000</b>	<b>4,50,000</b>		<b>6,00,000</b>	<b>4,50,000</b>

On 1<sup>st</sup> April, 2012, Sun Ltd. was formed by amalgamating in the nature of purchase Star Ltd. and Moon Ltd., on the following terms:

- Sun Ltd., is to take over 8% Debentures and to convert these into 60-10% Debentures of Rs.1,000 each to Debenture holders of Star Ltd.
- The Debenture holders of Moon Ltd. insisted that they should be allotted equity shares in Sun Ltd., Accordingly they were allotted 7,500 shares of Rs.10 each @Rs.12 per share
- Preference shareholders of Star Ltd. insisted for allotment of 900 – 11% Redeemable preference shares of Rs.100 each.
- The Equity shareholders of Star Ltd. are to be allotted 10 equity shares at par for 7 equity shares held by them. The shares of Sun Ltd., are of Rs.10 each.
- The assets of Star Ltd. are taken over at book value except plant which is taken over at Rs.1,90,000.
- The assets of Moon Ltd. are valued as under:  
Goodwill Rs.30,000; Land Rs.1,50,000; Building Rs.45,000; Plant Rs.1,20,000; other Fixed Assets Rs.15,000; All Current Assets Rs.1,50,000; All Current Liabilities Rs.1,50,000.

The balance of consideration is to be paid by allotment of Equity Shares at par to Moon Ltd.

(3)

**Turn Over**